

Stark Introduces "Medikids" To Guarantee Health Care To All Children

Wednesday, 16 May 2007

Representative Pete Stark (CA-13) today introduced the MediKids Health Insurance Act to guarantee quality health care to all children in the United States. The legislation would create MediKids, a new federal health care program for children. Modeled after Medicare, MediKids would provide comprehensive health benefits appropriate to children.

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STARK INTRODUCES "MEDIKIDS" TO GUARANTEE HEALTH CARE TO ALL CHILDREN

WASHINGTON, D.C. -- Representative Pete Stark (CA-13), Chairman of the House Ways and Means Health Subcommittee, today introduced the MediKids Health Insurance Act to guarantee quality health care to all children in the United States.

The legislation would create MediKids, a new federal health care program for children. Modeled after Medicare, MediKids would provide comprehensive health benefits appropriate to children.

Under MediKids, parents retain the choice to enroll their children in private plans or government programs such as Medicaid or SCHIP. However, if a lapse in other insurance coverage occurs, MediKids automatically fills in the gap. MediKids also follows children across state lines when families move and provides care when families climbing out of poverty become ineligible for means-tested programs.

"Before Congress enacted Medicare more than 40 years ago, seniors were the most likely age group to live in poverty in America. Today, children have taken their place," said Stark. "With nine million children without health insurance and 13 million in poverty, we need to learn from what's worked. MediKids takes the proven success of Medicare and builds on it for our nation's children."

"Children need a health care system that provides consistent insurance coverage and access to quality services," said Jay E. Berkelhamer, MD, FAAP, president of the American Academy of Pediatrics (AAP), representing 60,000 pediatricians. "MediKids is a bold but practical approach that will provide health care coverage from cradle through college. The AAP wholeheartedly endorses this legislation. It's the right approach to insuring every infant, child, teenager and young adult in this country."

Every child would be automatically enrolled in MediKids at birth and remain eligible for care until age 23. Children born after 2009 would immediately be eligible for care through MediKids while older children would be enrolled over a five-year phase-in period. Children who immigrate to America would be enrolled when they receive their immigration cards.

Families below 150 percent of poverty pay no premiums or cost sharing. Families between 150 percent and 300 percent of poverty pay reduced premiums and participate in cost sharing. Parents above 300 percent of poverty are responsible for a small premium equal to one fourth of the average annual cost per child.

MediKids has been endorsed by the American Academy of Family Physicians, American Academy of Pediatrics, American Medical Student Association, Children's Defense Fund, Consumers Union, Families USA, March of Dimes, National Association of Children's Hospitals, National Association of Community Health Centers, National Association of Public Hospitals and Health Systems, National Health Law Program and NETWORK: A National Catholic Social Justice Lobby.

A summary of MediKids follows.

MediKids Health Insurance Act of 2007

Bill Summary

The MediKids Health Insurance Act provides health insurance for all children in the United States regardless of family income level by 2014. The program is modeled after Medicare, but the benefits are improved and targeted toward children.

MediKids is the ultimate safety net, with maximum simplicity, stability, and flexibility for families. Parents may choose to enroll their children in private plans or government programs such as Medicaid or S-CHIP. However, if a lapse in other insurance coverage occurs, MediKids automatically picks up the children's health insurance. MediKids follows children across state lines when families move, and fills the gaps when families climbing out of poverty become ineligible for means-tested programs.

ENROLLMENT AND ELIGIBILITY

Every child born after December 31, 2008 is automatically enrolled in MediKids. Older children are enrolled over a 5-year phase-in as described below. Children who immigrate to the U.S. are enrolled when they receive their immigration cards. Materials describing the program's benefits, along with a MediKids insurance card, are issued to the parent(s) or legal guardian(s) of each child. Once enrolled, children remain enrolled in MediKids until they reach the age of 23. There are no re-determination hoops to jump through because MediKids is not means tested.

PHASE-IN

Year 1 = the child has not attained age 6

Year 2 = the child has not attained age 11

Year 3 = the child has not attained age 16

Year 4 = the child has not attained age 21

Year 5 = the child has not attained age 23

BENEFITS

The benefit package is based on the Medicare and the Medicaid Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefits for children, with simplified cost sharing mechanisms and comprehensive prescription drug coverage. The benefits will be reviewed annually and updated by the Secretary of Health and Human Services to reflect age-appropriate benefits as needed with input from the pediatric community.

PREMIUMS, DEDUCTIBLES, AND COPAYS

MediKids assures that families will always have access to affordable health insurance for their children. Families below 150 percent of poverty pay no premiums or cost sharing. Families between 150 percent and 300 percent of poverty pay reduced premiums and cost sharing. Parents above 300 percent of poverty are responsible for a small premium equal to one fourth of the average annual cost per child. Premiums are collected at the time of income tax filing. Premiums are not assessed during periods of equivalent alternative coverage. Families will never pay more than five percent of their adjusted gross income (AGI) for premiums.

Cost sharing is similar to the largest plans available to Members of Congress. There is no cost sharing for preventive and well childcare for any children. A refundable tax credit is provided for cost sharing above five percent of AGI.

FINANCING

Initial funding to be determined by Congress. In future years, the Secretary of Treasury would develop a package of progressive, gradual tax changes to fund the program, as the numbers of enrollees grows.

STATES

Medicaid and S-CHIP are not altered by MediKids. States can choose to maintain these programs. To the extent that the states save money from the enrollment of children into MediKids, states are required to maintain current funding levels in other programs and services directed toward the Medicaid population. This can include expanding eligibility or offering additional services. For example, states could expand eligibility for parents and single individuals, increase payment rates to providers, or enhance quality initiatives in nursing homes.

SUPPORTING ORGANIZATIONS

American Academy of Family Physicians

American Academy of Pediatrics

American Medical Student Association

Children's Defense Fund

Consumers Union

Families USA

March of Dimes

National Association of Children's Hospitals

National Association of Community Health Centers

National Association of Public Hospitals and Health Systems

National Health Law Program

NETWORK: A National Catholic Social Justice Lobby

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